

CANADA STEAMSHIP LINES

LIMITED

ANNUAL REPORT
1924

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CANADA STEAMSHIP LINES LIMITED

To the Stockholders;

YOUR Directors submit the Company's Eleventh Annual Report and Statement of Accounts. Total Revenue amounted to \$10,435,115.15, a decrease of \$1,448,767.28 or 12.2% from the previous year, of which amount \$1,145,237.54 represents decreased revenue from Lake and River Freight Vessels, and \$303,529.74 represents decreased revenue from all other company operations.

The net earnings for the year before interest, bond discount, depreciation, and taxes were \$1,656,027.21, a decrease of \$499,486.18 from the previous year; and the profit for the year after all charges, bond discount, and reserves was \$143,818.99, a decrease of \$333,424.86 from the previous year.

The disappointing earnings of the year under review were caused largely by conditions beyond control and which generally affected the gross revenue of all Canadian Transportation Companies. The Canadian wheat crop declined 205,000,000 bushels or 42.7% from the previous year, its movement was delayed, and rates were down; lake ore tonnage declined 17,000,000 tons or 30% from the previous year and moved at lower rates; lake coal tonnage declined 7,275,000 tons or 22% from the previous year and also moved at lower rates, as a result of which the tonnage of these commodities carried by the Company's steamships declined 725,820 tons or 22.5% from the previous year.

Through operation of Sinking Funds the Company's Five Per Cent. Debenture Stock and its First Mortgage Collateral Sinking Fund Seven Per Cent. Gold Bonds outstanding in hands of public were reduced in amount of \$310,108.61.

The attached balance sheet reflects the addition of three new lake and river steamships and the sale of one ocean steamship. The Company has set aside as usual a liberal sum for depreciation of plant and equipment and has maintained its property in sound physical condition.

The whole respectfully submitted.

W. H. COVERDALE,
President.

CANADA STEAMSHIP LINES, LIMITED

CONSOLIDATED

As at 31st D

ASSETS

Fixed Assets:

Vessels, Real Estate, Buildings, Docks and Wharves, Plant and Equipment.....	\$31,640,666.37
Less Reserve for Depreciation.....	8,618,859.42
	<u>\$23,021,806.95</u>

Deferred Payments on Property Sold.....	74,400.00
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Current Assets:

Cash in Banks and on Hand.....	\$1,172,758.54
Accounts Receivable, less Reserve for Doubtful Accounts.....	954,046.02
Adjusted Losses due by Underwriters.....	510,702.15
Insurance and Other Claims—Estimated Amount Recoverable.....	614,662.41
Interest Receivable Accrued.....	2,926.66
Inventories of Stores and Supplies.....	598,020.42
	<u>3,853,116.20</u>
Prepaid Expenses.....	225,129.48
Investments, less Reserve.....	1,959,492.79
Insurance Investment Fund.....	75,878.40
Funds Deposited with Trustees for Mortgage Bonds and Debenture Stock.....	\$ 13,365.27
Cash in Hands of Trustees for Debenture Holders for Replacement of Assets Lost and Sold.....	300,395.58
	<u>313,760.85</u>
	<u>\$29,523,584.67</u>

Bond Discount and Expense.....	932,603.12
Leases, Contracts and Goodwill.....	\$7,000,000.00
Leases, Contracts and Goodwill—Subsidiary Companies.....	1,035,662.28
	<u>8,035,662.28</u>

\$38,491,850.07

CERTIFICATE

We have audited the accounts of the Canada Steamship Lines, Limited, and its Subsidiary Companies for the year that the above Consolidated Balance Sheet and relative Profit and Loss and Surplus Accounts are, in our opinion, properly its operations for the year ended at that date, according to the best of our information and the explanations given to us

Montreal, 23rd February, 1925.

ED, AND SUBSIDIARY COMPANIES

BALANCE SHEET

December, 1924

LIABILITIES

Capital Stock:

125,000 Shares Cumulative Preference 7% Stock of \$100 each.....	\$12,500,000.00
120,000 Shares Common Stock of \$100 each.....	12,000,000.00
	<u>\$24,500,000.00</u>

Funded Debt:

First Mortgage Bonds.....	\$ 8,013.33
Less—Cash Deposited for Redemption.....	8,013.33

5% Debenture Stock.....	\$14,922,106.66
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Less:—Amount Retired by Operation of Sinking Fund..... \$2,399,833.27

Deposited with Trustees as Security for issue of 1st Mtge. Collateral Sinking Fund 7% Gold Bonds....	7,580,720.00
Held in Treasury.....	87,788.61

10,068,341.88

\$4,853,764.78

Twenty Year 1st Mtge. Collateral Sinking Fund 7% Gold Bonds....	\$6,000,000.00
Less Amount Retired by Operation of Sinking Fund.....	585,200.00

5,414,800.00

7% Debenture Notes, due 1926 and 1927.....	850,000.00
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11,118,564.78

Notes Payable re Steamer Purchase Contracts (Subject to extension provisions, payable annually 1926 to 1929).....	181,053.60
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Current Liabilities:

Notes Payable.....	\$ 45,263.40
Accounts Payable, including provision for Government Taxes.....	792,258.50
Accrued Charges.....	168,415.69

1,005,937.59

Reserves:

For Freight and Other Claims.....	\$ 35,000.00
For Marine Insurance Losses.....	54,743.65

89,743.65

Surplus.....	1,596,550.45
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Contingent Liabilities—None.

Note:—Cumulative Preference Dividends in Arrear..	\$2,625,000.00
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W. H. COVERDALE, President.

FRANK J. HUMPHREY, Director.

\$38,491,850.07

OF AUDITORS

ended 31st December, 1924, and have obtained all the information and explanations which we have required. We certify drawn up so as to exhibit a true and correct view of the state of the Company's affairs as at 31st December, 1924, and of and as shown by the books of the Company.

PEAT, MARWICK, MITCHELL & CO.,
Chartered Accountants.

CANADA STEAMSHIP LINES LIMITED

AND SUBSIDIARY COMPANIES

PROFIT AND LOSS ACCOUNT

For the Year ended 31st December, 1924

Operating Revenue:

Vessels.....	\$10,049,949.70
Docks and Wharves.....	187,038.56
Miscellaneous.....	10,491.71

\$10,247,479.97

Other Revenue..... 187,635.18

Total Revenue..... \$10,435,115.15

Expenses..... 8,779,087.94

Net Earnings..... \$ 1,656,027.21

From which Deduct:

Interest on Funded Debt.....	\$688,951.01
Other Interest.....	10,061.50
Bond Discount and Expense Written Off....	65,548.51
Reserved for Depreciation.....	734,064.77
Reserved for Doubtful Debts.....	13,582.43

1,512,208.22

Profit for Year..... \$ 143,818.99

SURPLUS ACCOUNT

As at 31st December, 1924

Balance as at 31st December, 1923..... \$ 1,468,749.04

Add:

Profit for Year ended 31st December, 1924, as per Profit and
Loss Account..... 143,818.99

\$ 1,612,568.03

Deduct:

Net Loss on Sales of Fixed Assets..... 16,017.58

Surplus as per Balance Sheet..... \$ 1,596,550.45

